

# EXHIBIT 24



4. The price paid by a dealer for a vehicle or the vehicle costs associated with the price of components or assemblies do not factor into financing or leasing rate decisions made by BMW Financial Services, nor could they, because BMW Financial Services does not receive such information.

5. BMW Financial Services receives and maintains limited information concerning the financing or leasing it provides for new BMW or MINI vehicles, including the retail installment contract for a sale and the lease agreement for a lease.

6. BMW Financial Services does not, in the ordinary course of business, receive or maintain the bills of sale, or other documents concerning the terms and conditions of sale as between the BMW center or MINI dealer and the consumer, for vehicles that BMW Financial Services finances or leases.

7. All of the documents received by BMW Financial Services concerning consumer applications for financing or leases and concerning the actual retail installment contract or leasing agreement are provided to BMW Financial Service by BMW centers and MINI dealers. BMW centers and MINI dealers should have copies of the records that they provided to BMW Financial Services. Any information BMW Financial Services receives or maintains on the price or terms and conditions of an underlying sale or lease is derivative and duplicative of information in the possession of dealers.

8. BMW Financial Services only provides financing or leasing for a subset of the new BMW and MINI vehicles sold in the United States. The percentage and number of BMW vehicles that BMW Financial Services has financed since 1992 has varied significantly. Likewise, the percentage and number of MINI vehicles that BMW Financial Services has

financed or leased since those vehicles were introduced in United States in 2002 has varied significantly.

9. BMW FS has also provided floor plan financing to certain BMW centers and MINI dealers. BMW FS has not provided floor plan financing to other centers or dealers. The floor plan financing terms were not based on the costs of any components or assemblies installed in the vehicles or sold to the dealer. Dealers are or should be in possession of the documents and information relating to their own floor plan financing.

## **II. Upstream Purchasing Information**

10. I understand that the motions at issue concern, in part, 35 requests (including subparts) relating to upstream purchasing information of the components and assemblies at issue. BMW Financial Services does not, in the ordinary course of business, receive or maintain records concerning components or assemblies, prices paid for components or assemblies, costs attributable to purchase and installation of components or assemblies, or any impact the cost of components or assemblies might have on vehicle pricing.

## **III. Downstream Purchasing Information**

11. I understand that the motions at issue concern, in part, 28 requests relating to the (i) financial performance of BMW Financial Services; (ii) the manufacture, distribution, and sale of vehicles; and (iii) the resale of those vehicles by dealers. I refer to these requests as “downstream” requests.

12. As detailed above, BMW Financial Services provides financial services related to the purchase and leasing of motor vehicles; BMW Financial Services does not engage in the design, assembly, distribution or sale of motor vehicles. To the extent BMW Financial Services receives or maintains any information on the terms and conditions of the transactions between



BMW centers or MINI dealers and consumers, that information is wholly derivative and duplicative of information in the possession of dealers.

13. Moreover, the burden of searching for and producing any limited downstream information that BMW Financial Services might have in its possession is immense. Such a search would require cross-referencing multiple systems and reviewing individual files of each of the customers BMW Financial Services provided financing and leasing services to each year. While the number of customers has varied over the subpoena period, in certain years, the number of customers that have financed or leased vehicles with BMW Financial Services has exceeded one hundred thousand.

14. For each customer who finances or leases a vehicle through BMW Financial Services, an individual file is created that contains basic information on the financing or lease along with scanned documents related to the transaction, generally including the retail installment contract for sales, the leasing document for leases, the customer's credit application, and the customer's title application. The contents of the scanned records are not electronically searchable. To collect and produce documents from these files would require personnel viewing each file individually to extract the information sought.

15. For files dating back to 2007, the scanned documents are believed to still be maintained electronically in a scanned format. Just to locate and review an individual electronic file, I anticipate that it would take one employee approximately ten to fifteen minutes. I anticipate that extraction of records from the electronic files would take additional time. For files predating 2007, while some files may be available electronically, those files are inconsistent and unreliable and many of them would require verification against hardcopy files located at off-site storage locations. Other files predating 2007 may solely be maintained in hard copy.

16. I anticipate that the effort to simply locate and collect the documents, records and data that are sought for the time period at issue would take hundreds of thousands of employee hours, and would substantially interfere with BMW Financial Services' business duties and operations. Many of these records contain information that is subject to protection under privacy laws and regulations.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief this 18th day of February, 2016.



Christopher Chadwick